(c) whether there is any scheme for extending loanss to the weaker sections of the society for this purposse by the Life Insurance Corporation; if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c) Yes, Sir. The main features of liberalisations relate to:

Graded system of rate of interest ranging from 12 per cent for loan upto Rs. 50,000/-, 13 per cent for loanbetween Rs. 50,000/- to 1 lakh, 14 per cent between Rs. 1 lakh and Rs. 2 lakhs and 15 per cent for loans over Rs. 2 lakhs instead of the existing flat rate of 13 per cent Additional interest in case of default has also been fixed at slab system ranging from 2 per cent to 3 per cent instead of flat rate of 2 1/2 per cent. Maximum amount of loan will now be Rs 2.5 lakhs irrespective of population criteria and for metropolitan cities like Calcutta, Bombay, Madras and Delhi, it will be Rs. 3 lakhs. Divisional Managers throughout the country have been empowered to sanction loan straightaway in all centres where basic amenities are available Now LIC policies like 'Jeevan Mitra' and 'Jeevan Saathi' for 20 years will be accepted as collateral security for a sum assured to the extent of 50 per cent of the loan as against earlier provision of sum assured equal to the loan sanctioned. If proof of income is not available for gross income not exceeding Rs 18,000, LIC would get the income estimated through its officials. Besides, improvements have also been made in certain other procedural matters relating to investigation of title, inspection of the property, counting of agricultural income for judging of repaying capacity, classification of borrowers and simplification of proforma, etc.

Hitherto loans could be granted by LIC for purcase/construction of houses only against first mortgage of the immovable property. LIC have now been permitted to grant loans for purchase of flats/apartments by the policyholders against necessary security according to the Schemes to be framed for the purpose without insisting on first mortgage of the property. This will facilitate easier availability of the loans to policyholders.

The above liberalisations will apply to loans, including those taken by weaker sections of the society.

Income-tax raids in Gujarat

2535. SHRI VITHALBHAI MOTIRAM PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a number of raids have been carried out by the Enforcement Directorate and the Income-tax Department in Ahmedabad, Rajkot, Surat and other cities in Gujarat during the last one year; and

(b) if so, what amount of unaccounted money was unearthed during these raids, party-wise?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) Yes, Sir.

(b) The value of assets seized in Gujarat between Novembr, 1986 and October, 1987 by the Enforcement Directorate was Rs. 11 34 lakhs (in 96 searches) and the value of assets seized in Gujarat during the same period by the Income-tax Department was Rs. 1136.06 lakhs (in 1092 searches) It is not practicable to give party-wise details

Water from Kota barrage for irrigation in M. P.

2536. SHRIMATI RATAN KUMARI: Will the Minister of WATER RESOURCES be pleased to state:

(a) the matter in which the water from the Kota Barrage is regulated between Madhya Pradesh and Rajasthan;

(b) whether the present arrangement is satisfactory and Madhya Pradesh is getting its due share of water from the Kota Barrage; and